IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD
(Special Original Jurisdiction)

FRIDAY, THE EIGHTH DAY OF SEPTEMBER
TWO THOUSAND AND SIX

PRESENT

THE HON'BLE MR JUSTICE J.CHELAMESWAR
AND
THE HON'BLE MR JUSTICE D.APPA RAO

WRIT PETITION No.17372 OF 2006

Between:

M/s.Egwood Boards & Panels Private Limited
Rep. by its Director, Mr.Pramod Gupta.

..... PETITIONER

AND

The Commercial Tax Officer,
Special Commodities Circle,
Saroornagar, Hyderabad,
And another.

....RESPONDENTS

THE HON'BLE MR JUSTICE
J.CHELAMESWAR
AND
THE HON'BLE MR JUSTICE
D.APPA RAO

WRIT PETITION No.17372 OF 2006

O R D E R
(Per Sri Justice J.Chelameswar)

The petitioner is a private limited company and a registered dealer under A.P. VAT Act and also CST Act on the rolls of the 1st respondent. The petitioner is doing business in the manufacture and sale of plywood, panel boards and flush doors etc. On 21.09.2005, there was an inspection by the 1st respondent in the business premises of the petitioner. For the assessment year 2005-2006, the petitioner claims to have effected stock transfers for about Rs.4.05 crores, which according to him are exempted under Section 6-A of the Central Sales Tax Act. However, the 1st respondent on the basis of the information collected by her during the course of inspection, disallowed such claim of the petitioner and passed a provisional assessment order dated 04.02.2005. Apart from that, certain other claims of the petitioner were also disallowed.

Aggrieved by the assessment, the petitioner preferred an appeal before the 2nd respondent. The appeal it appears was posted on 24.04.2006. Thereafter, it was adjourned by ten days. The 1st respondent furnished his defence to the Tribunal on 18.05.2006. The matter was again heard on

16.06.2006.

It is the case of the petitioner that he was neither put on notice of the comments furnished by the 1st respondent before the Appellate Authority nor was there any notice of the date of further hearing, which in fact took place on 16.06.2006. In such background, the 2nd respondent passed an order on 28.06.2006. Hence, the present writ petition.

On 23.08.2006 when the matter was taken up for hearing, learned Government Pleader sought time to obtain instructions. Today, when the matter is taken up, learned Government Pleader on instructions stated that as a matter of fact, no notice of further hearing on 16.06.2006 was given to the petitioner nor the comments of the 1st respondent were communicated to the petitioner.

In the circumstances, we are of the opinion that there is clear violation of the principles of natural justice. Therefore, the order of the 2nd respondent dated 28.06.2006 is quashed and the matter is remitted back to the 2nd respondent for an appropriate decision in accordance with law, after giving reasonable opportunity to the petitioner.

The writ petition is accordingly allowed at the admission stage itself. No order as to costs.

JUSTICE J.CHELAMESWAR

JUSTICE D.APPA RAO

8TH SEPTEMBER, 2006
PGS

THE HON'BLE MR JUSTICE
J.CHELAMESWAR
AND
THE HON'BLE MR JUSTICE
D.APPA RAO

WRIT PETITION No.17372 OF 2006
(Per Sri Justice J.Chelameswar)

8TH SEPTEMBER, 2006